

APPROVED MINUTES
VILLAGE OF LAKE ZURICH
Board of Trustees
70 East Main Street



Monday, August 21, 2023 7:00 p.m.

1. CALL TO ORDER by Village Mayor Tom Poynton at 7.00pm.
2. ROLL CALL: Mayor Thomas Poynton, Trustee Dan Bobrowski, Trustee Mary Beth Euker, Trustee William Riley, Trustee Marc Spacone, Trustee Roger Sugrue, Trustee Greg Weider. Also in attendance: Village Manager Keller, Director Sparkowski, Director Brown, Director Duebner, Director Saher, Director Caputo, Chief Husak, Asst. to the Manager Kordell, Village Atty. Scott Uhler.
3. PLEDGE OF ALLEGIANCE
4. PUBLIC COMMENT
 - Claudette Dyback, 205 West Main Street, spoke against the proposed Consume development on Block A, highlighting concerns about traffic, lighting, and noise that would impact her property.
 - Amanda Dickson, 216 West Main Street, spoke against the proposed Consume development on Block A, saying it would remove too much public parking and highlighting seasonal limits in the proposal.
5. PRESIDENT'S REPORT / COMMUNITY UPDATE
 - Nothing to report.
6. CONSENT AGENDA
 - A. Approval of Minutes from the Village Board Meeting of August 7, 2023
 - B. Approval of Semi-Monthly Warrant Register Dated August 21, 2023 Totaling \$2,008,090.62
 - C. Ordinance Granting a Planned Unit Development and Final Plat of Subdivision for NorthStar Pickle Company at 629 Rose Road (Assign Ord. #2023-08-521)

Summary: NorthStar Pickle Company requests approval of a Planned Unit Development to construct a new 83,600 square-foot food manufacturing facility at 629 Rose Road. NorthStar Pickle is expanding from its existing facility on Donata Court due to recent success and growing operations. The Planning and Zoning Commission held a public hearing on July 20, 2023, recommending approval of this development to the Village Board.
 - D. Ordinance Adopting by Reference the Lake County Watershed Development Ordinance (Assign Ord. #2023-08-522)

Summary: In July 2023, the Lake County Board adopted 35 amendments to the Watershed Development Ordinance (WDO). The WDO is now effective and includes the minimum county-wide standards for regulated development.

Municipalities are required to adopt the revised WDO to qualify for funding from the Federal Emergency Management Agency and National Flood Insurance Program.

E. Agreement to Purchase One Henry J. Paulus Park Entry Sign and Message Board with Michael's Signs in the Amount Not-to-Exceed \$92,850

Summary: The existing entry sign and community information board at Paulus Park are dated and no longer meet the needs of the community. A request for proposals in June 2023 for new signage resulted in ten proposals received, ranging in prices from \$29,853 to \$219,980. The proposal from Michael's Signs received positive feedback from members of the Parks and Recreation Advisory Board meeting on August 8, 2023.

The purchase price of \$85,350 is almost completely funded from revenue sharing from the 2021 and 2022 Jack-o-Lantern World events held at Paulus Park. The requested not-to-exceed amount of \$92,850 includes the costs related to upgrading electrical connections for the increased power usage. The FY 2023 budget does not have funds dedicated for this expense, but Staff plans to reallocate funds originally intended for the band shelter.

F. Motion to Waive the Competitive Bid Process and Purchase One Replacement Well Pump Motor from Layne Christensen Company in the Amount Not-to-Exceed \$34,150

Summary: The Village's designated spare well pump motor was recently utilized to replace a failed motor at a pumping facility. This purchase replaces the spare well pump motor. Layne Christensen Company is the Village's designated deep well contractor and sole-source provider for Byron Jackson submersible well pumping equipment. The FY 2023 budget includes \$50,000 for this purpose.

Actions: A motion was made by Mayor Poynton, seconded by Trustee Euker to approve the Consent Agenda as presented.

AYES: 6 Trustees Riley, Spacone, Euker, Bobrowski, Sugrue, Weider.

NAYS: 0

ABSENT:

MOTION CARRIED.

7. NEW BUSINESS

A. Fiscal Year 2022 Audit Results with Baker Tilley

Summary: State law requires the Village to publish a complete set of financial statements presented in conformity with generally accepted auditing standards by a firm of licensed certified public accountants. The Village has completed the annual audit with Baker Tilly, who has issued an unmodified clean opinion on Village finances for the fiscal year ended December 31, 2022. Overall, Village finances fared well during Fiscal Year 2022. The General Fund surplus balance increased by \$962,000, bringing the total fund balance to \$14 million, of which \$1.7 million are non-spendable. The General Fund unstructured balance sits at 36% of Fund expenditures as of the end of 2022, a significant accomplishment that allows for top bond ratings and lower

interest rates for tax payers. The Village's official General Fund balance target is 40%.

Long-term bonded debt decreased \$1.9 million to a total of \$19.3 million outstanding as of December 31, 2022. Ten years ago, in 2013, this bonded debt was at \$34 million.

For business-type activities related to the Water and Sewer Fund, total net position increased by \$2.6 million, mostly due to water system infrastructure improvements. Net position for the Water and Sewer Fund mostly includes funds invested in capital assets. As municipal infrastructure continues to age, infrastructure improvements will continue to be a large drain of resources for the Water and Sewer Fund.

By the end of 2022, the total net position of the Village as a whole increased by \$9.9 million, compared to a \$14.8 million increase in 2021. Total net position includes all assets and liabilities held by the Village, which includes capital assets that depreciate over time as well as real estate.

Due to the long-term financial planning of the Village coupled with the strength of the local economy and private-sector investment, municipal finances remain on solid footing for the foreseeable future.

Director Sparkowski introduced Joe Lightcap from Baker Tilley to review the 2022 Comprehensive Financial Report to the Village Board, who then gave the Board the highest level of assurance that finances are clean and accounted for. Mr. Lightcap also highlighted the Reporting Insights Report on the 2022 audit, saying there was no significant changes to the audit plan or areas of identified risk. There were no troubles or issues encountered with the 2022 audit.

Actions: A motion was made by Trustee Riley, seconded by Trustee Spacone, to approve and accept the Comprehensive Annual Financial Report for the fiscal year ended December 31, 2022.

AYES: 6 Trustees Euker, Weider, Bobrowski, Spacone, Riley, Sugrue.

NAYS: 0

ABSENT:

MOTION CARRIED.

B. Illinois Department of Natural Resources Resolution of Authorization to Apply for \$600,000 in OSLAD Grant Funds for Paulus Park Phase 2 Improvements in the Amount Not-to-Exceed \$3.8 Million and Presentation from Hitchcock Design Group

Summary: The Village has contracted with Hitchcock Design Group for continued improvements at Paulus Park via the Open Space Lands Acquisition and Development grant. In 2019, the Village received \$400,000 in OSLAD funding for Paulus Park improvements and is now seeking another \$600,000 for Phase 2 improvements.

Staff has worked with Hitchcock Design Group to determine the scope of Phase 2 improvements, which include renovation of the splash pad, a bandshell for the new stage, shoreline restoration on the northern end of the park, baggo courts, and enhanced landscaping.

These park enhancements were presented to the community through open houses held at Village Hall on Tuesday, August 8th and at the August 11th Farmers Market, receiving support and mostly positive feedback from residents.

Director Caputo introduced Lacey Lawrence from Hitchcock Design Group to present the OSLAD grant scope of work and schedule to the Village Board. The grant has a due date of August 31, 2023 and requires a funding match of at least \$600,000. Awards are announced in February 2024.

Trustee Spacone requested additional ADA accessible playground equipment in the community. Director Caputo suggested using Special Recreation Association (SRA) funding for planning future ADA play equipment. Trustee Sugrue supported Trustee Spacone's push for more play equipment for disabled children.

Actions: A motion was made by Trustee Weider, seconded by Trustee Bobrowski to approve a Resolution of Authorization to Apply for \$600,000 in OSLAD Grant Funds for Paulus Park Phase 2 Improvements in the Amount Not-to-Exceed \$3.8 Million.

AYES: 6 Trustees Weider, Bobrowski, Sugrue, Spacone, Riley, Euker.

NAYS: 0

ABSENT:

MOTION CARRIED.

C. Courtesy Review for Proposed Development by Consume at 183 West Main Street commonly referred to as Block A

Summary: Consume is requesting a Courtesy Review to consider a proposal to redevelop the property commonly referred to as Block A on West Main Street, which is owned by the Village of Lake Zurich. Consume is proposing to redevelop Block A with a new two-story, approximately 11,540 square foot retail/restaurant building accompanied by a parking lot. This potential development would include Village TIF assistance and a future public hearing by the Planning and Zoning Commission to consider zoning relief.

Consume intends to move from their current location on Rt 22 to occupy the upper floor of the new building. They also intend to set up a market space within one of the three ground-floor tenant spaces offering higher end meats, cheeses, craft beer, liquor and wine. The second tenant space will be occupied by Swiss Mountain Coffee. An operator for the third tenant space has yet to be determined.

Director Duebner introduced the four owners of Consume, Uday Patel, Dhiren Patel, Reed Bartuska, and Ankur Patel, as well as Mr. Jay Keller from Space Architects to review the proposed design with fully retractable doors/windows and a wrap-around three-sided balcony on the second floor. The proposal includes two curb cuts, one on Mionske Street and one on Lake Street.

Trustee Riley encouraged the use of heavy landscaping along Lake Street to minimize residential traffic impacts. He asked about the intended hours of operation, which Consume answered would be 11 am – 1 am most days.

Trustee Euker asked about the open green space on the ground being potentially available for outside groups. She also encouraged them to be considerate with their parking lot lighting to minimize light pollution on nearby residents.

Trustee Bobrowski is supportive of the existing design proposal.

Trustee Spacone is supportive of the existing design proposal and said the 117 new parking spots proposed would bring a lot of new Main Street area parking to benefit the whole area.

Trustee Weider is supportive of the existing design but cautioned them to be sensitive to the neighbors and their concerns.

Trustee Sugrue asked about potential hours of operation for Swiss Mountain Coffee, which Consume answered would likely be 5 am – 2 pm most days. He complemented them on not having any curb cuts on Main Street and encouraged them to proceed with their proposal.

Mayor Poynton is supportive of the existing design and said this is probably the most attractive and popular proposal he has ever seen for Block A.

Actions: This is a non-voting item at this time. The developer and Village Staff seek to understand the Board's preferences towards the proposed use at this site.

8. TRUSTEE REPORTS

Trustee Spacone spoke about disabled children in the community and the importance of public service equity in providing ADA equipment in Paulus Park, including this as a priority in the upcoming revised Comprehensive Plan. Trustee Sugrue echoed the support for more ADA play equipment in Lake Zurich.

9. VILLAGE STAFF REPORTS

This is an opportunity for Village Staff to report on matters of interest to the Board of Trustees.

A. Fiscal Year 2023 Budget Update

Director Sparkowski gave a financial update to the Village Board, highlighting the current status of the FY23 budget. Revenues are performing well and expenditures are staying in line with expectations. General Fund revenues are 7% above expectations and expenditures are 3% below expectations at this point in the year.

Manager Keller highlighted that the Equipment Replacement Fund is particularly challenging in the current environment of municipal fleet replacement, which is currently high demand and low supply/limited inventory. Several large capital infrastructure projects are slipping into the next fiscal year.

B. Monthly Data Metric Reports

11. EXECUTIVE SESSION called for the purpose of:

- 5 ILCS 120 / 2 (c) (21) approval of executive session minutes
- 5 ILCS 120 / 2 (c) (11) pending or imminent litigation

10. ADJOURNMENT

A motion was made by Trustee Riley, seconded by Trustee Euker, to adjourn the regular meeting into Executive Session.

AYES: 6 Trustees Euker, Bobrowski, Riley, Spacone, Sugrue, Weider.
NAYS: 0
ABSENT: 0
MOTION CARRIED.

The meeting adjourned into Executive Session with no further business in Open Session at 8:39 pm

Respectfully submitted:

Kyle Kordell, Deputy Village Clerk

Approved by:

A handwritten signature in black ink, appearing to read "JM Poynton".

/s/Mayor Thomas M. Poynton